

VZCZCXRO3744

PP RUEHAO RUEHCD RUEHGA RUEHGD RUEHHA RUEHHO RUEHMC RUEHMT RUEHNG  
RUEHNL RUEHQU RUEHRD RUEHRG RUEHRS RUEHTM RUEHVC  
DE RUEHCV #1702/01 3461345  
ZNY CCCCC ZZH  
P 111345Z DEC 08  
FM AMEMBASSY CARACAS  
TO RUEHC/SECSTATE WASHDC PRIORITY 2282  
INFO RUEHWH/WESTERN HEMISPHERIC AFFAIRS DIPL POSTS  
RUEAHL/DHS WASHDC  
RULSDMK/DEPT OF TRANSPORTATION  
RUEABND/DEA HQ WASHINGTON DC  
RUCPDO/DEPT OF COMMERCE  
RUEATRS/DEPT OF TREASURY  
RUMIAAA/HQ USSOUTHCOM MIAMI FL

C O N F I D E N T I A L SECTION 01 OF 02 CARACAS 001702

SIPDIS

HQ SOUTHCOM ALSO FOR POLAD  
TREASURY FOR MMALLOY  
COMMERCE FOR 4431/MAC/WH/JLAO  
TRANSPORTATION FOR BRIAN HEDBERG  
CA FOR CA/OCS/ACS FOR WILLIAM HURST

E.O. 12958: DECL: 12/10/2018

TAGS: [ECON](#) [CASC](#) [CVIS](#) [ASEC](#) [MARR](#) [PGOV](#) [EAIR](#) [PREL](#) [ETRD](#)

KHLS, PTER, SNAR, VE

SUBJECT: VENEZUELAN GOVERNMENT TO ASSUME PERMANENT CONTROL  
OF AEROPOSTAL

REF: A. CARACAS 1590

[1](#)B. CARACAS 1545

[1](#)C. CARACAS 1607

Classified By: Economic Counselor Darnall Steuart for reasons 1.4  
(b) and (d).

[1](#)1. (C) SUMMARY: Aeropostal president Dr. Mustafa Flores reports he expects the government to take permanent control of the airline by December 12 and will then bankrupt it. He, along with all but two of the Aeropostal board of directors, plan to resign as they fear they will ultimately be blamed. Mustafa claims Makled family (the current owners of Aeropostal) problems with the Venezuelan government are entirely political and have nothing to do with the family's alleged ties to drug trafficking. The Makled brothers, jailed following a November 13 government raid, have yet to be formally charged and Mustafa believes they will be released in February. He also believes that the government will limit Aeropostal and other Makled businesses to cash only transactions and the proceeds will be used to finance Chavez' campaign for indefinite reelection. The message the Venezuelan government appears to be sending to drug traffickers is that while the government will continue to tolerate drug traffickers' use of Venezuela as a transit point, they had better steer clear of public office. END SUMMARY.

-----  
BACKGROUND  
-----

[1](#)2. (C) As reported in ref A, Abdla Makled was a mayoral candidate in Valencia who ran as a pro-Chavez independent, aligning himself with the incumbent PSUV dissident governor Luis Acosta Carles. Makled ran an aggressive, well-funded mayoral campaign which had the potential of cutting into support for Chavez' chosen candidate. Ten days before the elections the Government of the Bolivarian Republic of Venezuela (GBRV) raided a Makled family farm on November 13 finding nearly 400 kilos of cocaine, which some claim the government planted. Abdla and one other Makled brother were arrested. The GBRV subsequently seized Aeropostal and other family assets.

-----

13. (C) On December 9, Econoffs met with Aeropostal President Dr. Mustafa Flores, and Vice President of Planning Marena Perez Rivero (ref B). Mustafa argued that the GBRV has no legal right to take over Aeropostal as it has produced no real evidence against the Makleds and no trial is in sight for the brothers. Mustafa said the Makleds are powerless to prevent the seizure of Aeropostal, however, even though he believes they will be freed in February for lack of evidence. Nevertheless, Mustafa said that the President of Venezuela's Civil Aviation Authority (INAC), who is also President of state-owned airline Conviasa in addition to several other roles, will likely be named Vice President of Aeropostal this week or next. Mustafa opined that the President of Simon Bolivar International Airport would be named President of the airline. When asked if the GBRV would seek to merge Aeropostal with Conviasa, Mustafa responded that this would be "akin to putting two ICU patients in the same room."

14. (C) Mustafa claimed that witnesses testified to the Fourth Tribunal of Carabobo State that the military planted the drugs seized on the family farm, using multiple white trucks to transport the cocaine. As further evidence that the military planted the drugs, Mustafa said that drug traffickers almost always hide their drugs underground, while the drugs found on the Makled farm were neatly lined up in plain view. He added that GBRV agencies have failed to produce any proof of the family's drug connections beyond the "staged" drug bust on November 13.

CARACAS 00001702 002.2 OF 002

-----

GBRV PLANS TO SELL OR BANKRUPT THE MAKLED'S BUSINESSES

-----

15. (C) Veteran Aeropostal employees Mustafa and Perez both stated they will resign at the end of this week as they believe the GBRV will formally take over Aeropostal by December 12. Although the GBRV had asked both to stay, both said they do not want to be a part of a government-owned company. Mustafa said he believes the GBRV will bankrupt Aeropostal in less than three months and he does not want to end up in jail accused of making off with Aeropostal's profits. He said many high-level employees share his concern and all but two intend to quit.

16. (C) Mustafa added that the GBRV plans to have Aeropostal sell tickets on a cash only basis. He believes the GBRV will then use the cash to help fund President Chavez' campaign for indefinite reelection rather than using it to cover Aeropostal's operating expenses, which would bankrupt the company in about three months. Mustafa said the Venezuelan Government has already requested access to Aeropostal's US-based accounts, which it will empty. Mustafa believes the GBRV has the same plan for the Makled's other major businesses, including the Puerto Cabello-based storage company, Almacenedora Makled, and Venezuela's second largest ground transportation company, Transgar (ref C). He believes the GBRV will sell off the Makled's other business interests and keep the proceeds before they release the two Makled brothers from prison.

-----

DEPARTING AEROPOSTAL STAFF TO START CHARTER COMPANY

-----

17. (C) Mustafa and Perez reported they wish to start a charter company to service the demand for flights to the US. Mustafa emphasized that almost every available seat from Caracas to Miami is booked from now until February, but that the GBRV has no intention of trying to pick up Aeropostal's routes to the US as it feels it "does not need the US market." According to Mustafa's sources, after Aeropostal is

"confiscated", its only international flights may be to the Caribbean. He said that no other company that he is aware of wants to invest in Venezuela, adding that companies that lease aircraft to Venezuelan carriers will not even allow their planes to overnight in Venezuela. Mustafa sees a huge business opportunity here and believes it would be relatively easy for his new company to get permission for charter flights for various routes to and from the US from both DOT and INAC. Mustafa noted that he has already set up offices in Venezuela and Miami and the tentative name for the charter company will be S&V Tours, Inc. He said he would be going to the US on December 12 to begin negotiating the wet lease of US registered aircraft from companies such as Jet Stream.

-----  
COMMENT  
-----

18. (C) The Makleds will likely never have their day in Venezuelan courts, as the GBRV has no interest in risking the exposure of possible ties between high level GBRV officials and the family. It seems the message the GBRV is sending to Venezuelan drug traffickers is that you can continue to use Venezuela as a transit point as long as you stay out of the limelight of public office. While Mustafa portrays himself as an honest broker who was simply caught in the cross fire between the Makleds and the Venezuelan government, his own ties to the Makleds may merit investigation if he is successful in establishing charter operations to and from the US.

CAULFIELD